

DIRECTOR OF CENTRAL INTELLIGENCE  
**Security Committee**

SECOM-D-378

19 September 1978

MEMORANDUM FOR: [REDACTED]  
CIA Member Security Committee

FROM: [REDACTED]  
Executive Secretary

SUBJECT: Security at OMB

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1. Today I received a telephone call from [REDACTED]  
[REDACTED] Community Headquarters Building Resource  
Management [REDACTED] He addressed  
a matter that he believes concerns primarily CIA security  
interests in connection with sensitive materials made  
available to the OMB in the Executive Office Building.

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2. [REDACTED] mentioned that within a week or 10  
days, a considerable amount of budget information from all  
Intelligence Community members will be forwarded to OMB.  
This information will be in greater depth and broader range  
than ever before. All CIA material will be included; the  
FBI's and CIA's Counterintelligence material will be described  
and delineated in such detail (if all OMB questions are  
answered) as to represent a most serious loss if compromised.

3. On recent visits to OMB, [REDACTED] observed that  
procedures for handling and working on Foreign Intelligence  
budget material at OMB was not in keeping with good security.  
Obviously familiar with personnel at OMB, [REDACTED] said  
he spoke to Arni Donoghue and Bill Mitchell who handle the  
Agency account (much SCI material that is retained/stored

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STAT in a vault). about the loose treatment afforded the Justice Department, FBI - Treasury accounts, by people who handle these accounts, a Mr. Nat Scurry and a roommate. [ ] said he observed that this material was held in a safe (not in a vault) and during working hours was left unattended on desks in areas that were visited by people unknown to [ ] said he talked about what he viewed as lax security to Mr. Scurry's boss, Mr. Joseph Mullinix. Not satisfied with the response received, [ ] called the FBI and spoke to Eugene Gray who passed him to Mr. David Ryan, Security Committee member from the FBI. Mr. Ryan in turn suggested that [ ] contact me since I was not only the Secretary of the Security Committee but also a CIA Security Officer. Mr. Ryan pointed out that CIA was the DCI's security point of reference for Non-NFIB departments and agencies and probably responsible for OMB's security practices as far as Foreign Intelligence material was concerned.

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STAT 4. From the Community standpoint, I contacted Dave Ryan and suggested that he advise Mr. William Kreger, FBI's NFIB representative, of [ ] observations and suggest to Mr. Kreger that a security advisory be prominently appended to the FBI's intelligence material which is to be forwarded to OMB. I will also suggest to the Chairman, SECOM, that he remark on this issue at the September SECOM meeting.

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STAT 5. The Office of Security/CIA has previously provided security advice and guidance to OMB in connection with code-worded material. With the detail to be contained in this year's CIA budget submission, and in view of [ ] comments, you may care to have your officers take another look at OMB's procedures.

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STAT 6. [ ] was assured that his name would not be raised.

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